

PREPARED BY AND RETURN TO:  
J. PHILIP JONES, ESQ.  
MARTIN, TATE, MORROW & MARSTON, P.C.  
6410 POPLAR AVE., SUITE 1000  
MEMPHIS, TENNESSEE 38119  
901.522.9000

COLLATERAL ASSIGNMENT OF NOTE  
AND DEED OF TRUST  
(Reed)

This Instrument made and entered into this 12<sup>th</sup> day of September, 2005, by and between **J. Kevin Hyneman** ("Assignor"), and **Community Bank National Association**, a national banking association ("Assignee").

WITNESSETH:

WHEREAS, Assignor is indebted to Assignee in connection with a loan (the "Loan") evidenced by that certain promissory note of even date herewith in the principal sum of \$384,600 (the "Note"); and

WHEREAS, Assignor is the sole owner and holder of that certain promissory note executed by Michael R. Reed (the "Assigned Note") of even date herewith in the principal sum of \$384,600 which Assigned Note is secured by a Deed of trust of even date herewith (the "Deed of Trust") appearing of record in Book 2347, Page 208, in the DeSoto County Chancery Court Clerk's Office, and encumbering certain real property located in Horn Lake, Mississippi, as more particularly described in the Deed of Trust, and as described in Exhibit A attached hereto.

WHEREAS, in order to induce Assignee to make the Loan to Borrower, Assignor has agreed to assign the Assigned Note and Deed of Trust to Assignee as additional collateral for the Loan, and Assignee has agreed to accept such assignment subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, it is mutually agreed by and between the parties hereto as follows:

Assignor, for good and valuable consideration, including without limitation the financial accommodations by Assignee to Borrower, the receipt and sufficiency of which are hereby acknowledged, as collateral security for the payment of the Loan evidenced by the Note, including any extensions, increases, modifications, or renewals thereof (the Loan and such extensions, increases, modifications or renewals may hereinafter be sometimes referred to as the "Indebtedness") hereby absolutely and irrevocably conveys, transfers and assign unto Assignee, its successors and assigns, all of the rights, title in interest which Assignor, as Beneficiary or

Holder, has in the Assigned Note and the Deed of Trust.

TO HAVE AND TO HOLD the same unto Assignee, its successors and assigns forever.

The foregoing assignment, transfer and conveyance is intended to be and does hereby constitute a present assignment, transfer and conveyance by Assignor to Assignee, subject to the terms and conditions set out below.

By this Agreement, Assignor and Assignee further agree as follows:

1. This Assignment is made as collateral security to secure the payment of the Indebtedness. So long as there shall remain any outstanding balance of the Indebtedness, Assignee shall possess, in addition to all other rights and remedies (as defined herein), all rights and privileges of a secured party under the Uniform Commercial Code of the State of Tennessee, as set forth in Tenn. Code Ann. §§ 47-9-101, et seq., and Assignor does hereby grant to Assignee a security interest in and to the Assigned Note and the Deed of Trust to the extent that this Assignment is covered by the aforesaid code sections including, but not limited to, all proceeds from the sale, transfer, negotiation or other disposition thereof.
2. So long as there shall exist no event of default hereunder, under the Loan or under any other document evidencing, securing or relating to the Indebtedness (collectively the "Loan Documents") Assignor shall be entitled to receive all interest and principal payments as provided or allowed under the Assigned Note. Assignor agrees not to accelerate the maturity of the Assigned Note or foreclose the Deed of Trust without Assignee's prior written consent which consent shall not be unreasonably withheld.
3. In the event of a default by Borrower in the performance of any of the terms and conditions of the Note or any of the other Loan Documents, or this Assignment, Assignee may, at its option, after the expiration of any applicable notice and right to cure provision (i) pursue any rights or remedies granted or available to a secured party under the Tennessee Uniform Commercial Code, and/or (ii) give notice to the maker and obligor under the Assigned Note to send all further payments to Assignee, and collect and receive such payments to apply in reduction of the Indebtedness, and do all other acts and take such actions as Assignor might do as holder of the Assigned Note, either in Assignor's name or in Assignee's name, all without releasing Borrower from any obligation relating to the Indebtedness; and/or (iii) without advertisement or notice of sale other than any applicable notice and right to cure provision contained in the Credit Agreement, and with or without bringing any action or proceeding of any kind, each and all of which are hereby expressly waived by Assignor, transfer and convey the Assigned Note and Deed of Trust at a public or private sale, at the option of Assignee, and apply the net proceeds therefrom after deduction of expenses or collection, sale or delivery, including reasonable attorney's fees, to the payment of the Indebtedness. Any surplus remaining thereafter shall be paid to Assignee or its assigns.

4. Assignor covenants, represents and warrants to Assignee the following:

4.1 Assignor is the sole owner and has full right and title to assign the Assigned Note and the Deed of Trust. The Assigned Note and Deed of Trust, as well as any modifications thereof, have been delivered to Assignee and the current balances thereunder have been provided to Assignee.

4.2 No other assignment or negotiation of any interest in the Assigned Note or the Deed of Trust has been or will be made while any portion of the Indebtedness is outstanding.

4.3 Assignor will not hereafter agree to any change, alteration, extension or modification of the Assigned Note or the Deed of Trust without the express written permission of Assignee which permission will not be unreasonably withheld.

4.4 Assignor has no knowledge of any existing or pending defaults under the terms of the Assigned Note or the Deed of Trust.

4.5 Assignor hereby authorizes Assignee to give notice in writing of this Assignment at any time to any person, including the maker and mortgagor under the Assigned Note and Deed of Trust, respectively.

5. Violation of any of the covenants, terms and conditions herein by Assignor shall be deemed a default hereunder as well as under the terms of the Loan Documents and a default thereunder shall likewise constitute a default under this Assignment.

6. The acceptance by Assignee of this Assignment shall not be deemed or construed to obligate Assignee to appear in or defend any action or proceeding relating to the Assigned Note or the Deed of Trust, to take any action thereunder to expend any money, incur any expense, or to perform or discharge any obligation, duty or liability thereunder.

7. Upon the occurrence of any default by the maker or mortgagor under the Assigned Note or the Deed of Trust which results in the acceleration or foreclosure, respectively, thereof, if any default then exist under the Loan or any of the other Loan Documents, or the Assignment, any sum received by Assignor pursuant to such acceleration or foreclosure shall be paid to Assignee which shall apply same to the reduction of the Indebtedness, including any accrued and unpaid interest thereon.

8. Upon the full performance of the Loan and other Loan Documents evidencing, securing or relating to the Indebtedness, this Assignment shall become and be void and no longer of any effect, and, if Assignor so requests, Assignee agrees to reassign the Assigned Note and the Deed of Trust to Assignor without recourse or any covenants, representations or warranties of any kind.

9. It is expressly agreed by Assignor that this Assignment shall not be construed or deemed made for the benefit of any third party or parties.

10. The parties agree that the laws of the State of Tennessee shall govern the performance and enforcement of this Assignment.

11. If any provision of this Assignment or the application thereof to any entity, person, or circumstances shall be invalid or unenforceable to any extent, the remainder of this Assignment and the application if its provisions to other entities, persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

12. This Assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors and assignees.

IN WITNESS WHEREOF, this Assignment has been executed as of the day and year first above written.

"ASSIGNOR"

  
\_\_\_\_\_  
J. Kevin Hyneman

"ASSIGNEE"

COMMUNITY BANK NATIONAL  
ASSOCIATION

By:   
\_\_\_\_\_

Title: Vice President

STATE OF TENNESSEE  
COUNTY OF SHELBY

Personally appeared before me, a Notary Public in and for said state and county, duly commissioned and qualified, J. Kevin Hyneman, the within named bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he executed the within instrument for the purposes therein contained.

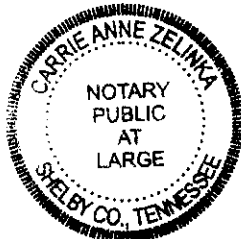
WITNESS my hand and notarial seal at office this 12<sup>th</sup> day of September, 2005

*[Signature]*

NOTARY PUBLIC

My commission expires:

\_\_\_\_\_



My Comm. Exp. 09-19-2007

STATE OF TENNESSEE  
COUNTY OF SHELBY

Before me, the undersigned Notary Public in the State and County aforesaid, personally appeared Kevin A. Hommel, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself (herself) to be VP of Community Bank National Association, the within named bargainor, a national banking association, and that he (she) as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the association by himself(herself) as such officer.

WITNESS my hand and official seal at office this 12<sup>th</sup> day of September, 2005.

*[Signature]*  
NOTARY PUBLIC

My commission expires:

11/4/04

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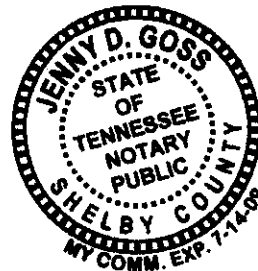


EXHIBIT A

1. 2852 Heatherglen Cove, Horn Lake, MS 38637:  
 Lot 33, Section "A," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 39, Pages 4-5, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
2. 2715 Hampden Cove, Horn Lake, MS 38637:  
 Lot 177, Section "H," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 41, Page 45, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
3. 2735 Hampden Cove, Horn Lake, MS 38637:  
 Lot 178, Section "H," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 41, Page 45, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
4. 2755 Hampden Cove, Horn Lake, MS 38637:  
 Lot 179, Section "H," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 41, Page 45, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
5. 2774 Guilford Cove, Horn Lake, MS 38637:  
 Lot 183, Section "H," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 41, Page 45, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
6. 2719 Guilford Cove, Horn Lake, MS 38637:  
 Lot 189, Section "H," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 41, Page 45, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
7. 2614 Bristol Cove, Horn Lake, MS 38637:  
 Lot 283, Section "K," Phase II, Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 10, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
8. 2560 Bristol Cove, Horn Lake, MS 38637:  
 Lot 287, Section "K," Phase II, Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 10, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
9. 2531 Bristol Cove, Horn Lake, MS 38637:  
 Lot 292, Phase II, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 10, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
10. 2583 Bristol Cove, Horn Lake, MS 38637:  
 Lot 296, Section "K," Phase II, Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 10, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.

**EXHIBIT A**  
(cont'd p.2)

11. 2595 Bristol Cove, Horn Lake, MS 38637:  
 Lot 297, Section "K," Phase II, Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 10, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
12. 2630 Winwood Cove, Horn Lake, MS 38637:  
 Lot 303, Phase III, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 11, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
13. 2576 Winwood Cove, Horn Lake, MS 38637:  
 Lot 307, Phase III, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 11, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
14. 2536 Winwood Cove, Horn Lake, MS 38637:  
 Lot 310, Phase III, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 11, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
15. 2603 Winwood Cove, Horn Lake, MS 38637:  
 Lot 318, Phase III, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 11, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
16. 2647 Winwood Cove, Horn Lake, MS 38637:  
 Lot 321, Phase IV - A, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 13, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
17. 2636 South Avalon, Horn Lake, MS 38637:  
 Lot 322, Phase IV - A, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 13, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
18. 2574 South Avalon, Horn Lake, MS 38637:  
 Lot 327, Phase IV, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 12, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
19. 2560 South Avalon, Horn Lake, MS 38637:  
 Lot 328, Phase IV, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 12, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.
20. 2593 South Avalon, Horn Lake, MS 38637:  
 Lot 338, Phase IV -A, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 13, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.

**EXHIBIT A**  
(cont'd p.3)

21. 2615 South Avalon, Horn Lake, MS 38637:

Lot 339, Phase IV -A, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 13, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.

22. 2633 South Avalon, Horn Lake, MS 38637:

Lot 341, Phase IV -A, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 13, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.

23. 2582 South Avalon, Horn Lake, MS 38637:

Lot 326, Phase IV, Section "K," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 55, Page 12, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.

24. 6292 Liberty Estate Drive, Horn Lake, MS 38637:

Lot 10, Liberty Estates Subdivision, Section 25, Township 1, Range 9, as shown on Plat of record in Plat Book 55, Pages 26-27, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.

25. 2785 Hampden Cove, Horn Lake, MS 38637:

Lot 181, Section "H," Kentwood Subdivision, Section 3, Township 2, Range 8, as shown on Plat of record in Plat Book 41, Page 45, in the Chancery Court Clerk's Office of DeSoto County, Mississippi, to which plat reference is made for a more particular description of said property.